MAY
1946

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Editor

The Real Estate ANALYST

A concise easily digested periodic analysis based upon scientific research in real estate fundamentals and trends...Constantly measuring and reporting the basic economic factors responsible for changes in trends and values.....Current Studies.....Surveys....Forecasts

VOLUME XV

REAL ESTATE ECONOMISTS, APPRAISERS AND COUNSELORS

MORTGAGE INTEREST RATE

WE have at last completed our recomputations of the normal for real estate activity. The chart on the center spread of this report shows the revised figures. It will be noticed on this chart that the depression of the thirties is slightly longer and deeper than it appeared on all of our previous charts and that the present boom is not quite so great.

As pointed out in previous reports, as a country matures real estate activity has a tendency to subside until in a very old country the greater part of the real estate business consists of the management business, with brokerage playing a very small role.

This is true not only of countries but of cities as well. Our chartings of real estate activity in individual cities over a long period would indicate that in the early life of a city real estate transfers in relationship to the number of families in the community are very large but as the city gradually matures the real estate booms go to lesser and lesser heights.

On the basis of this experience in the past, we computed our normal and it was found that the normal had a downward tilt. With no reason for believing that this tendency had changed, we continued the same trend on our figures through the depression and up to the present time, but constantly realizing that at some time this downward trend must level out as it could never theoretically reach zero. The experience of the last 15 years has convinced us that the normal is no longer declining as rapidly as it formerly did and after considerable experimental work we have recomputed a normal for the years from 1930 on. Making this change in our normal changes the areas from the fashion in which we charted them before to the new charting shown on this spread.

We are not certain that it may not be necessary to revise our normal still further at some time in the future. It is always impossible to say what normal is at the present time. The best definition of normal is probably that a normal is an average of the past and future. If this be true, the normal for past periods can always be computed as the past and future in relationship to those periods are known, but in trying to compute the normal for the present we know only the past and must estimate the future. Certain basic changes may come about during the next few years which may alter many of the factors in the present picture until conditions which appear now to be extremely abnormal may be far closer to an average over the long period than they now appear.

(cont. on page 150)

INSURED LOANS

FEDERAL HOUSING ADMINISTRATION financing reached its peak in October 1941, at that time running approximately 123 million dollars worth of mortgages insured in a single month. Title II insurance fell rapidly during 1942, but was replaced during 1943, 1944 and the first part of 1945 by Title VI loans covering the insurance of war housing.

Starting last fall, however, Title II loans began to increase, but even this could not stop the declining trend of total loans insured. January 1946 was below any January since 1938. Since mortgage lending on residential buildings is running considerably above any time since the stock market collapse in 1929, apparently a larger percentage of present loans is not being insured by the FHA.

The chart on the bottom of the opposite page is quite interesting in that it shows the dollar total of insured loans held by different types of lending institutions. It is quite apparent that insurance companies and commercial banks have been the big reservoirs for insured mortgages, with mutual savings banks running slightly ahead of savings and loan associations. At the present time, however, insurance companies and commercial banks are holding practically 3½ billion dollars worth of insured mortgages out of a total only slightly in excess of 4½ billion.

We regret exceedingly President Truman's executive order placing the FHA under the National Housing Agency. Of all government agencies having anything to do with the housing and real estate picture, the Federal Housing Administration has been most helpful in stimulating private enterprise, and this has been done with a minimum of government supervision. The National Housing Agency has not, as a rule, seen housing from any angle except as a quasi public utility. We hope that Congress in permanent legislation will not combine agencies whose purpose and viewpoints are widely dissimilar.

MORTGAGE INTEREST RATE

(cont. from page 149)

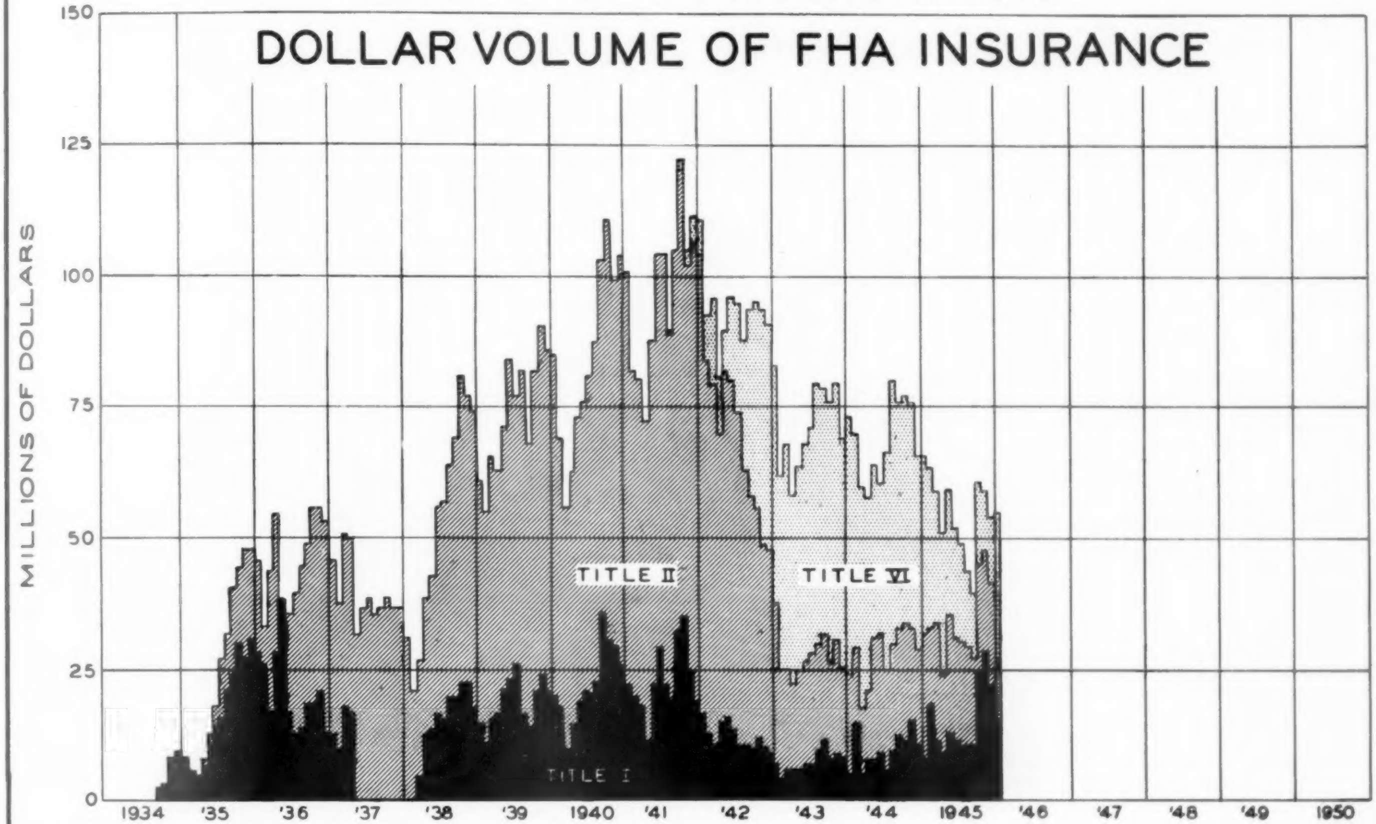
Real estate activity during April failed to increase by a sizable percentage for the first time in many months and, in fact, in many cities the number of voluntary transfers of real estate in relationship to the number of families,after correction for seasonal fluctuation, was below the level of the preceding month.

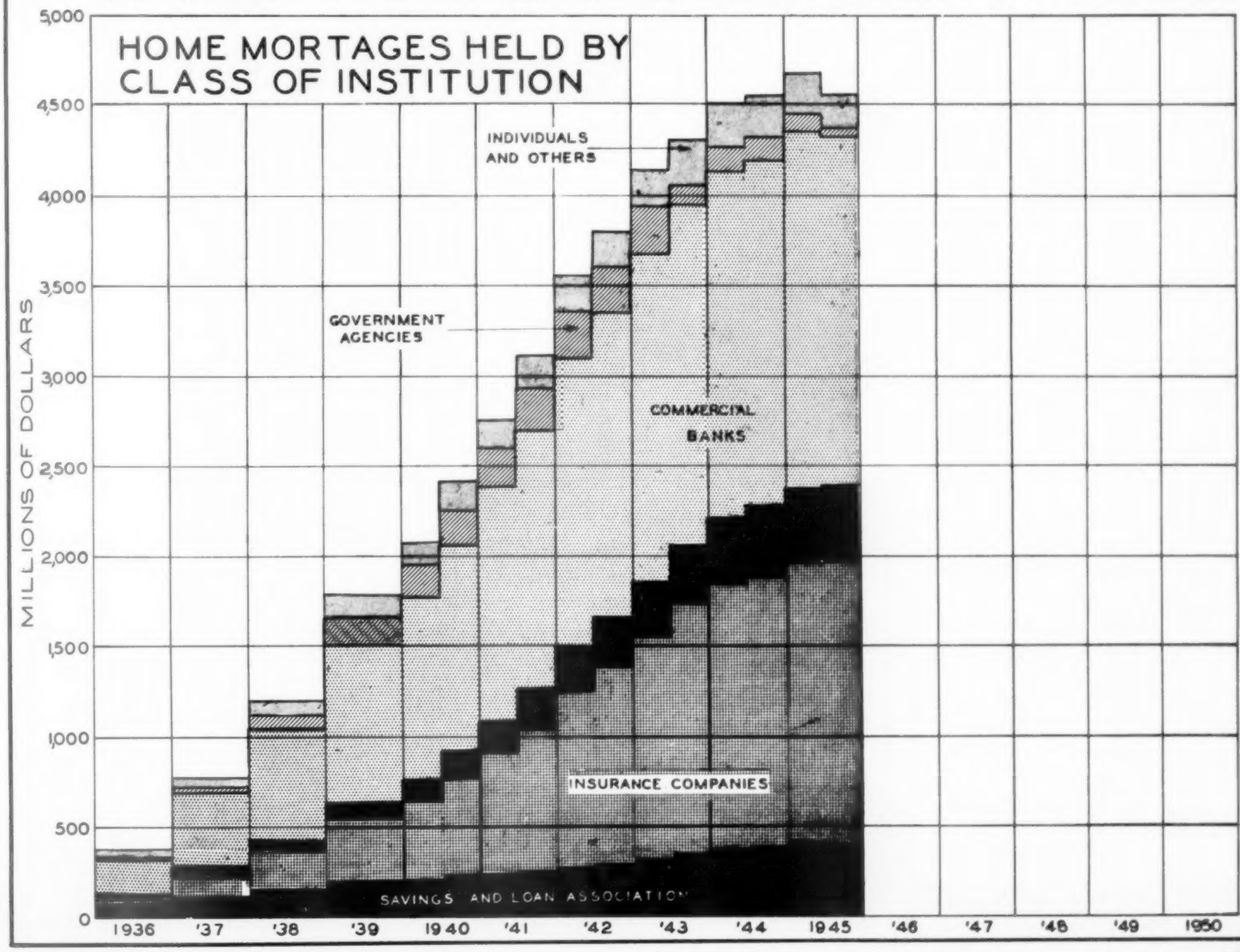
It is still too early to even guess whether this means that the boom which has reached such unusual heights is starting to level off. The drop may be due to the paralyzing effect of strikes and, if so, it may continue on our chart for several months. If strikes now subside and activity still fails to register further gains, it will be the first indication that the boom has reached a peak Only if foreclosures start rising should there be cause for alarm. In the past a collapse of real estate prices has not occurred until activity had subsided for a number of years, during which foreclosures were gradually rising.

The chart on page 153 shows average interest rates on all mortgage loans made on Manhattan Island from 1879 to the present and all mortgage loans made in St. Louis from 1893 to the present. These two cities have been selected as Manhattan Island mortgages are primarily mortgages on large buildings, and

(cont. on page 152)

FHA FINANCING





(cont. from page 150)
St. Louis mortgages are primarily mortgages on single-family residences. The two lines on this chart, therefore, approximate what has been happening on the two types of property in most cities of the United States, with the probability, however, that mortgage interest rates on Manhattan Island have regularly been somewhat below the rates in other communities. This is due to the fact that so much mortgage money is loaned by organizations with their executive offices in New York City. This has the tendency of making mortgage money more abundant in that area than in areas which are farther removed from the source of the money. This in turn has a tendency to reduce the rate.

The colored panel at the top of the long spread shows the distribution of the Manhattan mortgage interest rates in detail over the period from 1875 to the present. On this chart the complete height of the band represents all mortgages made each month. The light pink portion of the band shows mortgages made at 6 per cent or more. In 1875 and 1876 all mortgages were made at 6 per cent or more and in 1922 in the early part of the year more than 95 per cent of all mortgages were made at 6 per cent or better. A similar condition existed in the latter period of 1929.

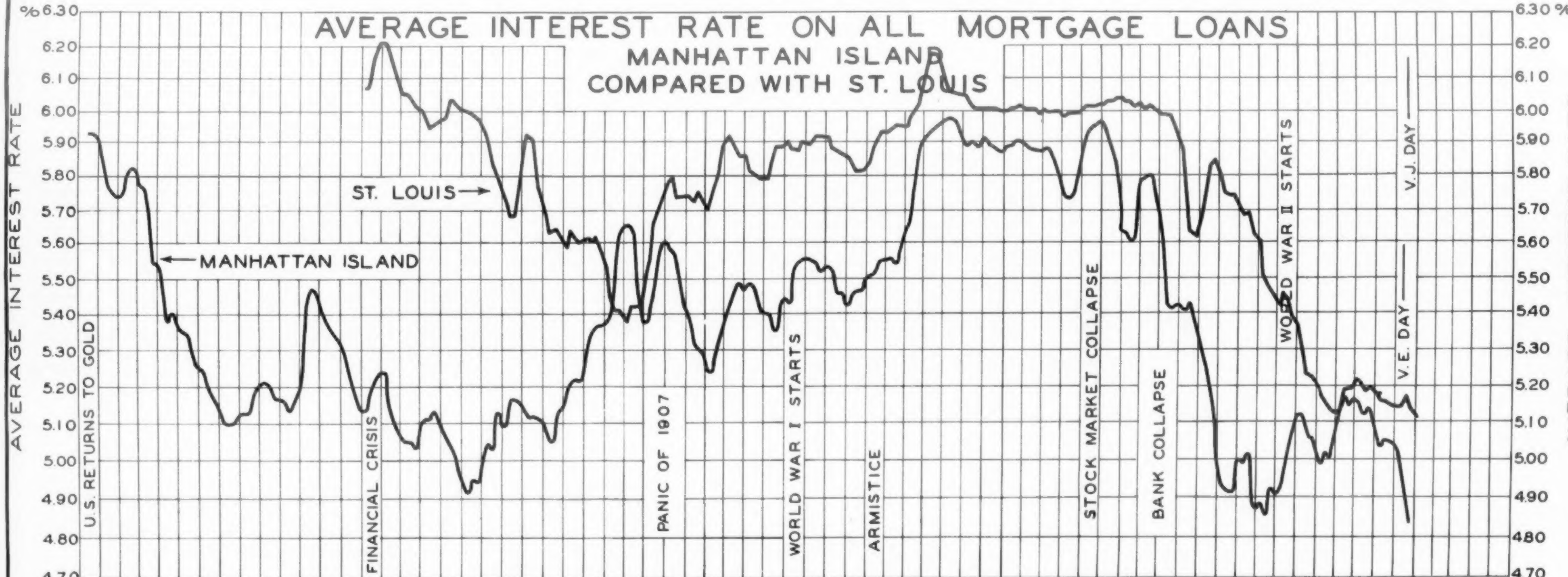
While a larger percentage of mortgages at the present time on large buildings are being made at 4 per cent or less, at no time during the big depression of the thirties or the recovery from that depression have so small a percentage of all mortgage loans in New York been made at less than 6 per cent as were made on that basis in the later eighties and the later nineties.

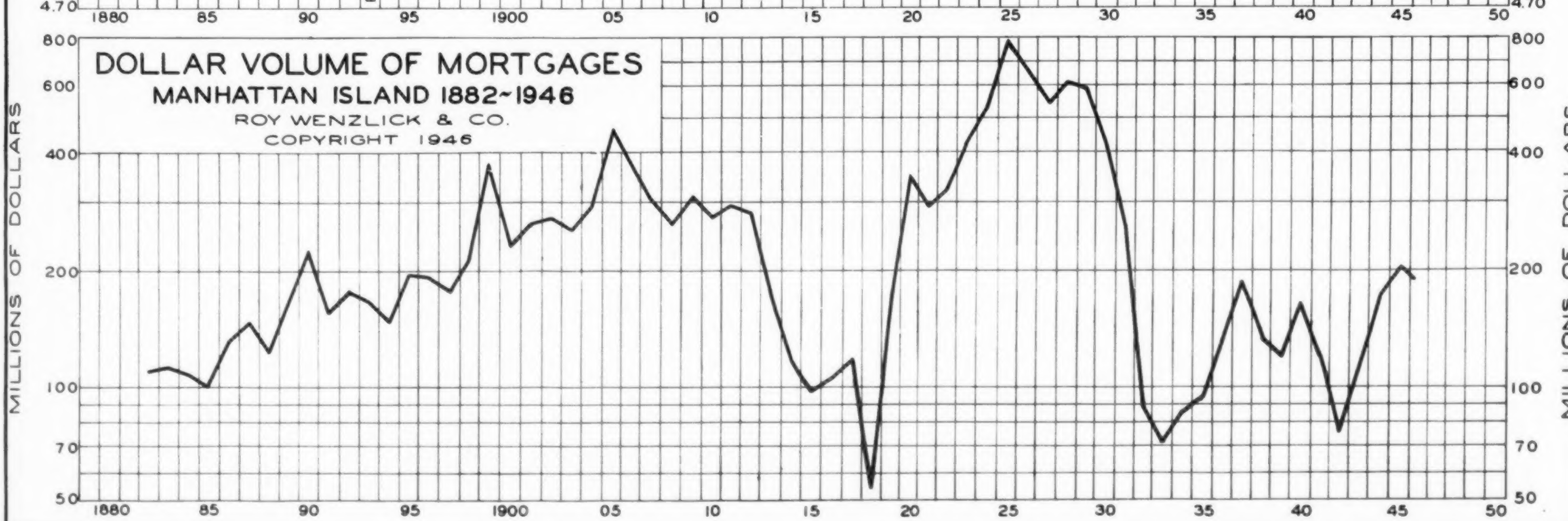
The percentage of mortgages made at 6 per cent or more has continued to drop since about 1943 and this drop has continued to the present time.

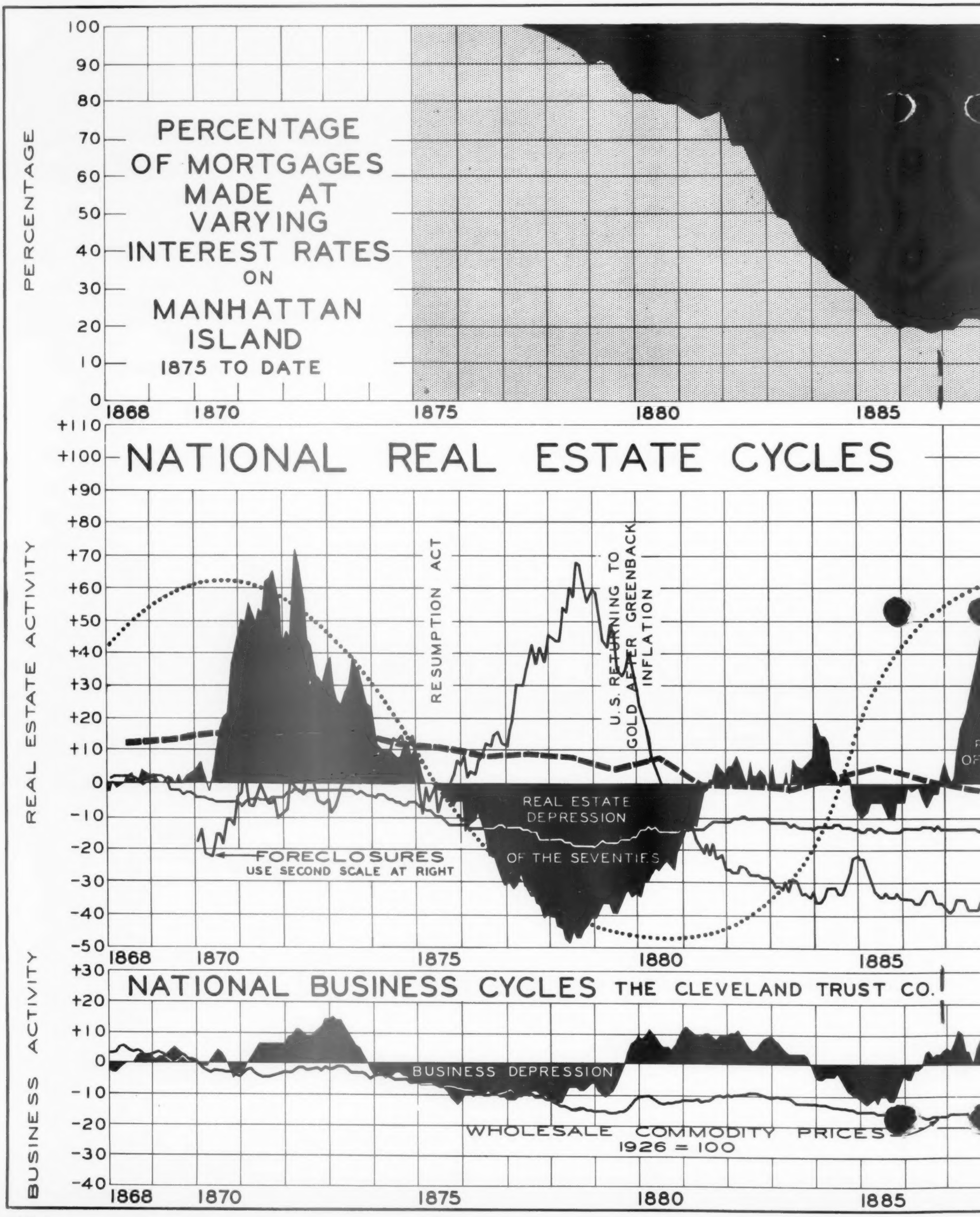
All mortgage lenders are primarily interested in the future of the mortgage interest rate. There has been tremendous pressure for lower rates during the period of the big depression and the war. The FHA was organized in 1934 in an effort to reduce the monthly payments on new homes in order to stimulate new building and to expand home ownership in the United States. By reducing the loading for risk in the mortgage interest rate, there can be little question but that the effect of the FHA during this period was to reduce monthly payments on residences and this resulted in a larger volume of building than would otherwise have occurred. It also resulted in a failure of rents and values on older buildings to rise by the percentages which would otherwise have been justified by the increase in construction costs. This benefited all tenants during this period, but unfortunately it also resulted in rents being frozen at a very low level during the war.

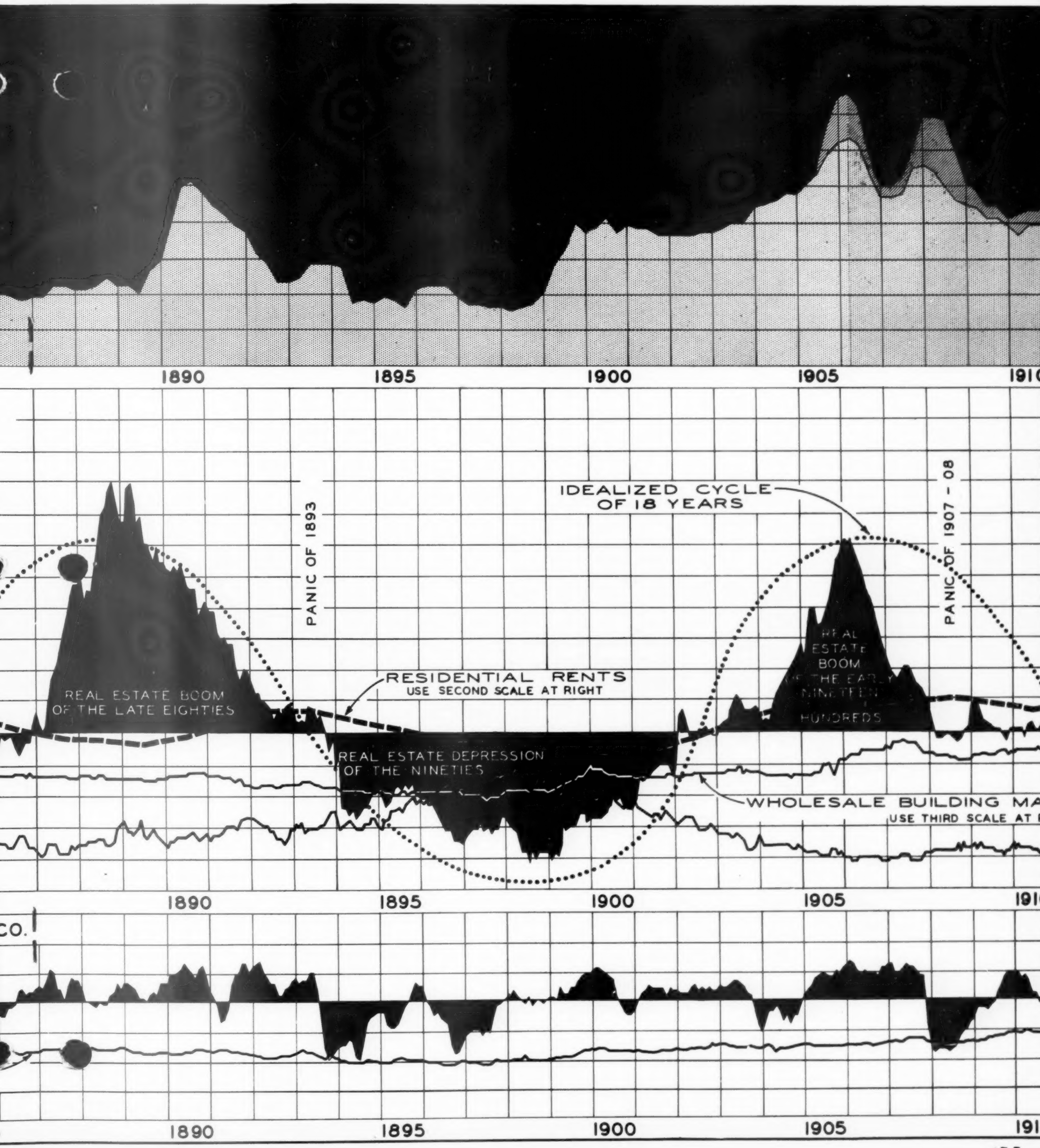
During the war period the tremendous pressure of the government on interest rates due to the necessity of war financing held rates at an abnormally low level and this low level has persisted to the present time. Marriner S. Eccles, the chairman of the Board of Governors of the Federal Reserve System, however, is very much worried about the inflationary implications of past government fiscal policies and apparently would favor a stiffening of general interest rates as one way to halt inflation.

It appears to us that general interest rates have passed the bottom and that there will probably be an upward drift during the next few years. It seems probable, however, that mortgage interest rates will not show any tendency to rise during the next year or two but that the next major change in trend will be a slightly upward drift from the present extremely low levels.

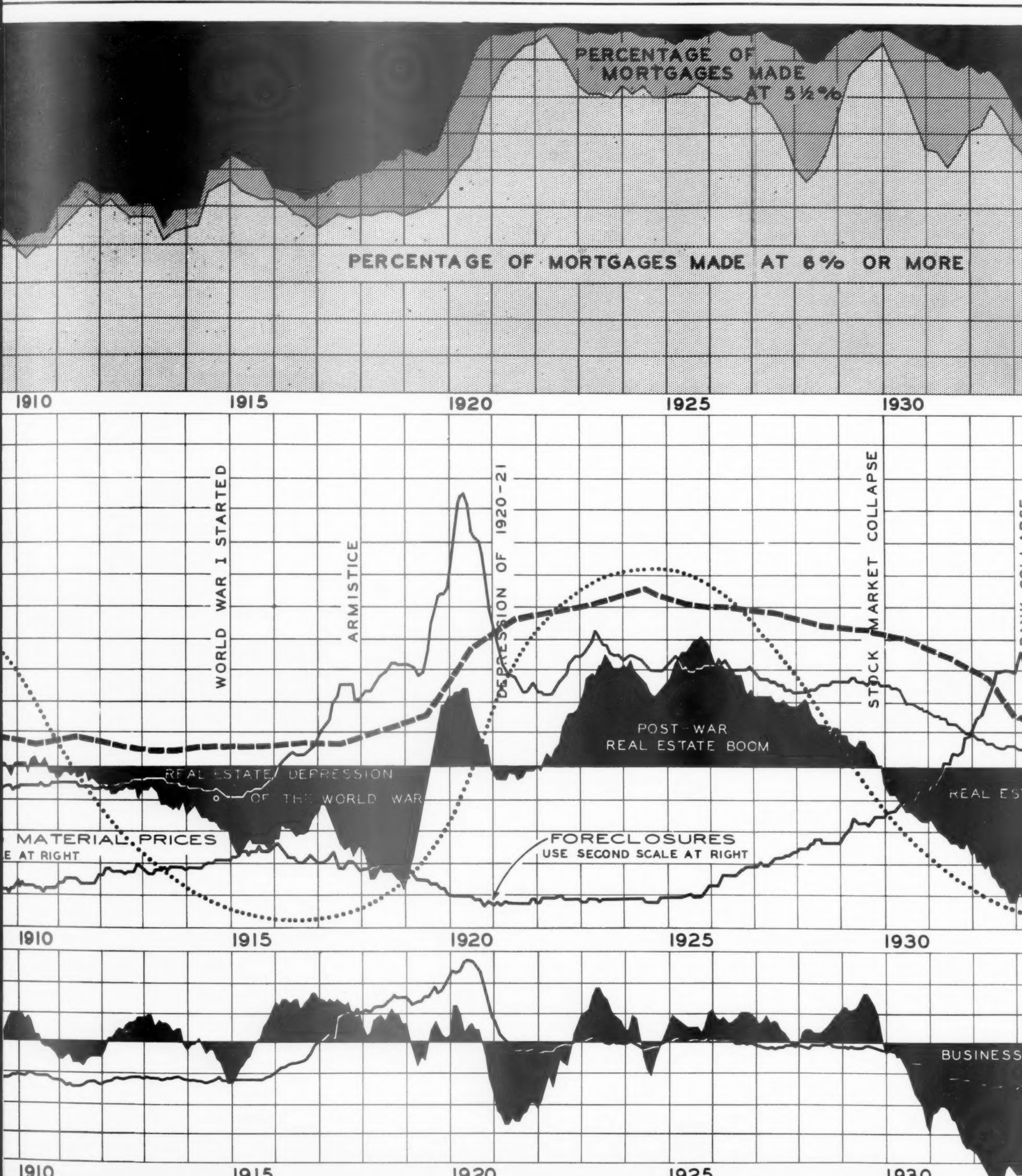

AVERAGE INTEREST RATE ON ALL MORTGAGE LOANS
MANHATTAN ISLAND
COMPARED WITH ST. LOUIS
ST. LOUIS
MANHATTAN ISLAND
AVERAGE INTEREST RATE
% 6.30
6.20
6.10
6.00
5.90
5.80
5.70
5.60
5.50
5.40
5.30
5.20
5.10
5.00
4.90
4.80
4.70
1880
85
90
95
1900
05
10
15
20
25
30
35
40
45
50
U.S. RETURNS TO GOLD
FINANCIAL CRISIS
PANIC OF 1907
WORLD WAR I STARTS
ARMISTICE
STOCK MARKET COLLAPSE
BANK COLLAPSE
WORLD WAR II STARTS
V.E. DAY
V.J. DAY


DOLLAR VOLUME OF MORTGAGES
MANHATTAN ISLAND 1882~1946
ROY WENZLICK & CO.
COPYRIGHT 1946
MILLIONS OF DOLLARS
800
600
400
200
100
70
50
1880
85
90
95
1900
05
10
15
20
25
30
35
40
45
50

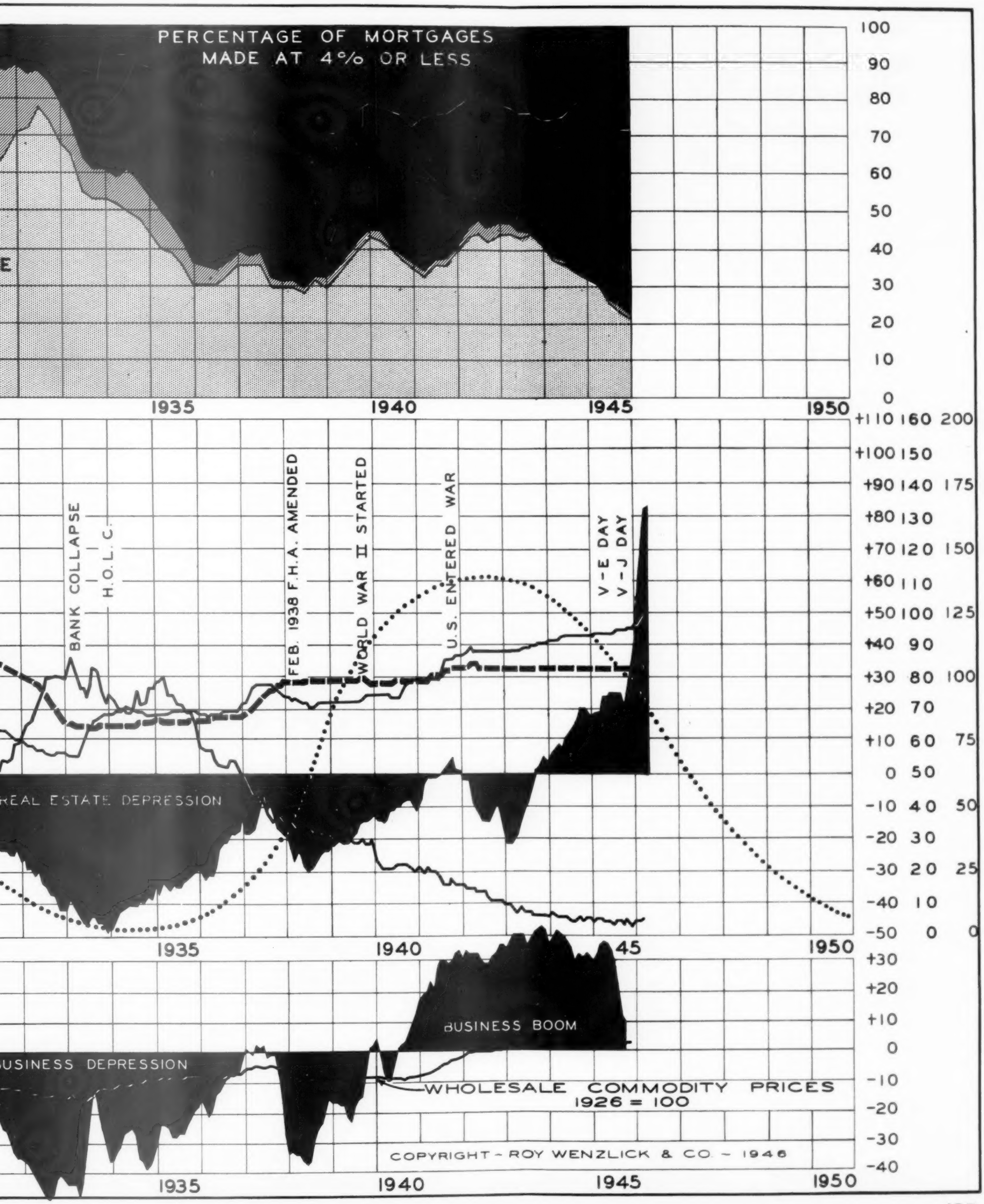

PERCENTAGE OF MORTGAGES MADE AT VARYING INTEREST RATES ON MANHATTAN ISLAND 1875 TO DATE
PERCENTAGE
NATIONAL REAL ESTATE CYCLES
REAL ESTATE ACTIVITY
RESUMPTION ACT
U.S. RETURNING TO GOLD AFTER GREENBACK INFLATION
REAL ESTATE DEPRESSION OF THE SEVENTIES
FORECLOSURES
USE SECOND SCALE AT RIGHT
NATIONAL BUSINESS CYCLES THE CLEVELAND TRUST CO.
BUSINESS ACTIVITY
BUSINESS DEPRESSION
WHOLESALE COMMODITY PRICES
1926 = 100
1868
1870
1875
1880
1885



1890
1895
1900
1905
1910
CO.
IDEALIZED CYCLE OF 18 YEARS
PANIC OF 1893
PANIC OF 1907 - 08
REAL ESTATE BOOM OF THE LATE EIGHTIES
RESIDENTIAL RENTS
USE SECOND SCALE AT RIGHT
REAL ESTATE BOOM OF THE EARLY NINETEEN HUNDREDS
REAL ESTATE DEPRESSION OF THE NINETIES
WHOLESALE BUILDING MA
USE THIRD SCALE AT R



PERCENTAGE OF MORTGAGES MADE AT 5½%
PERCENTAGE OF MORTGAGES MADE AT 6% OR MORE
1910
1915
1920
1925
1930
WORLD WAR I STARTED
ARMISTICE
DEPRESSION OF 1920-21
STOCK MARKET COLLAPSE
POST-WAR REAL ESTATE BOOM
REAL ESTATE DEPRESSION OF THE WORLD WAR
MATERIAL PRICES
E AT RIGHT
FORECLOSURES
USE SECOND SCALE AT RIGHT
REAL ES
BUSINESS


PERCENTAGE OF MORTGAGES
MADE AT 4% OR LESS
100
90
80
70
60
50
40
30
20
10
0
1935
1940
1945
1950
BANK COLLAPSE
H.O.L.C.
FEB. 1938 F.H.A. AMENDED
WORLD WAR II STARTED
U.S. ENTERED WAR
V-E DAY
V-J DAY
REAL ESTATE DEPRESSION
+110 160 200
+100 150
+90 140 175
+80 130
+70 120 150
+60 110
+50 100 125
+40 90
+30 80 100
+20 70
+10 60 75
0 50
-10 40 50
-20 30
-30 20 25
-40 10
-50 0 0
+30
+20
+10
0
-10
-20
-30
-40
BUSINESS BOOM
BUSINESS DEPRESSION
WHOLESALE COMMODITY PRICES
1926 = 100
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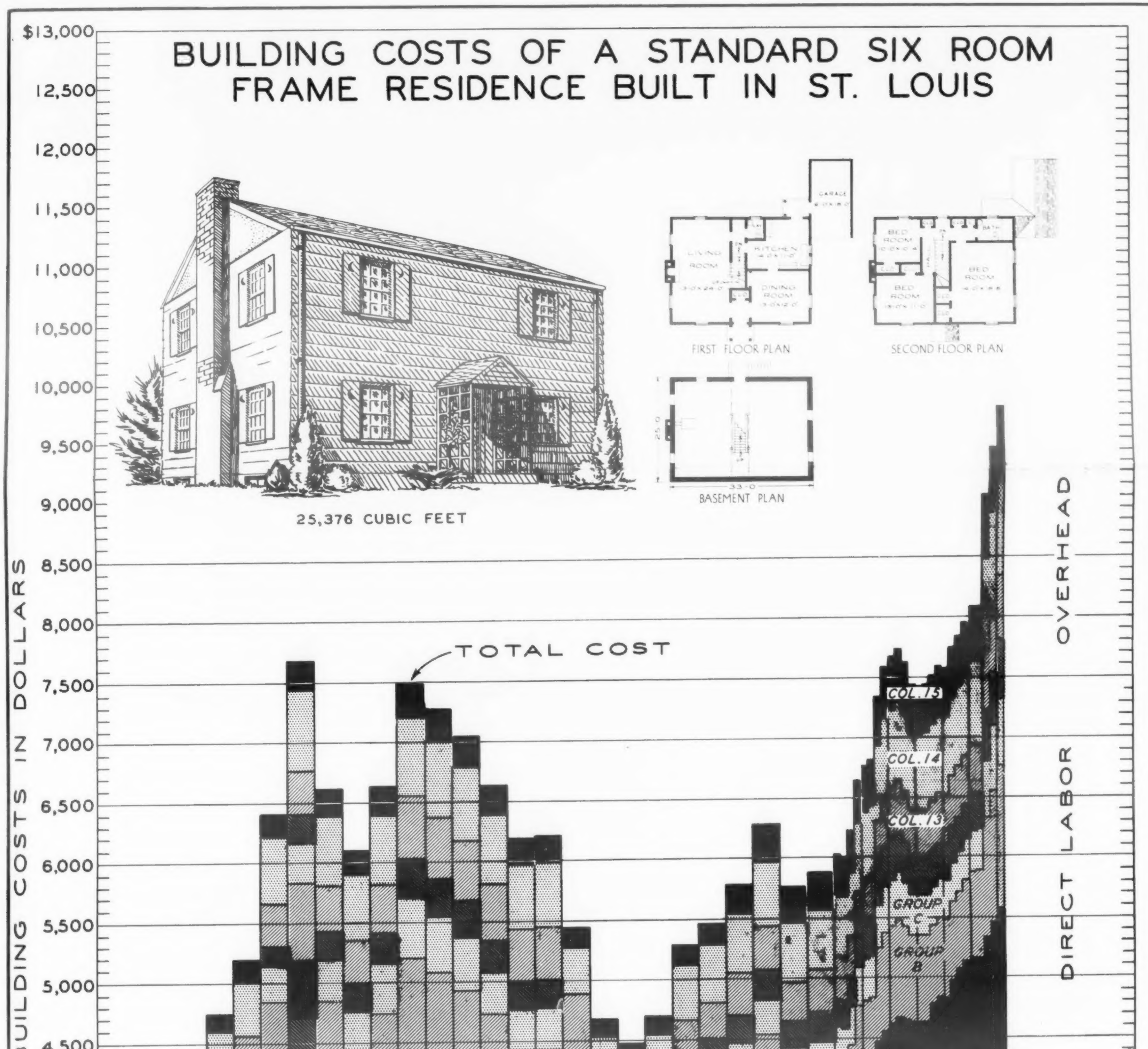
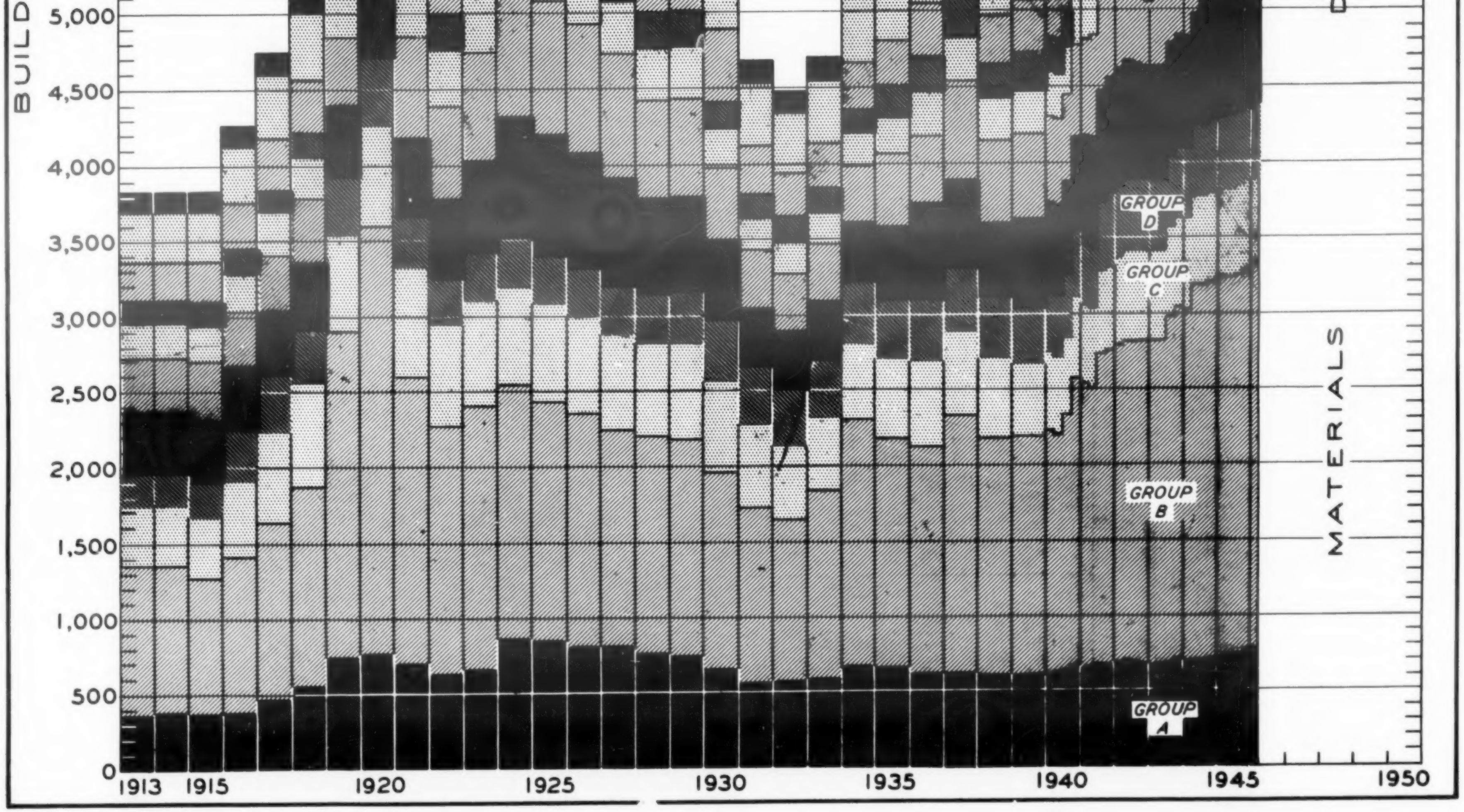

BUILDING COSTS OF A STANDARD SIX ROOM FRAME RESIDENCE BUILT IN ST. LOUIS
25,376 CUBIC FEET
FIRST FLOOR PLAN
SECOND FLOOR PLAN
BASEMENT PLAN
LIVING ROOM
KITCHEN
DINING ROOM
GARAGE
BED ROOM
BED ROOM
BED ROOM
BATH
TOTAL COST
OVERHEAD
DIRECT LABOR
COL. 15
COL. 14
COL. 13
GROUP C
GROUP B
BUILDING COSTS IN DOLLARS
$13,000
12,500
12,000
11,500
11,000
10,500
10,000
9,500
9,000
8,500
8,000
7,500
7,000
6,500
6,000
5,500
5,000
4,500



The chart above shows the variations in the costs of materials, labor and overhead for a six-room frame residence in St. Louis. Floor plans and a picture of the house are shown with the chart. Costs are grouped into four classifications of material, four of labor and three of overhead. A further breakdown of these groups is given in detail below. Columns of the table are numbered, and a brief description of the items included in each is given in the paragraphs below. Paragraphs are numbered to correspond with the columns described. Building material costs are printed in blue; the corresponding direct labor items are given in red. Overhead items - columns 18, 19 and 20 - are also printed in blue.

*No labor items are shown in column 13, Building Hardware, as they have already been included in column 6, Millwork.

Group A:
(1) Masonry: Cement, sand, gravel, quicklime, hydrated lime, hard wall plaster, face and common brick, fire brick, flue lining. Labor.
(2) Tile Work: 4½x4½ wall tile, ceramic floor tile, cap and base.
(3) TOTAL OF GROUP A: Materials. Labor.
Group B:
(4) Unfinished Lumber: Columns, beams, floor and ceiling joists, interior and exterior studs, rafters, bracing, etc. Labor.
(5) Finished Lumber: Sub-flooring, sheathing, beveled siding, finished floors, asphalt shingle roofing, roofing felt, tar paper, shutters, etc. Labor.
(6) Millwork: Windows, doors, trim, kitchen cabinet, stairs. Labor.
(7) TOTAL OF GROUP B: Materials. Labor.
Group C:
(8) Heating: Boiler, insulating jackets, fittings, tools, pipes, connections, valves and radiation. Labor.
(9) Plumbing: Soil pipes and connections, stack, water pipe and connections, lead oakum and bathroom fixtures; hot water heater and tank to be furnished by others. Labor.
(10) TOTAL OF GROUP C: Materials. Labor.
Group D:
(11) Sheet Metal: Galv. iron (present) gutters, downspouts, flashing. Labor.
(12) Electrical Work: Main switch, BX cable, switch boxes, receptacles, transformer, etc. No fixtures included. Labor.
(13) Nails and Hardware: Common and wire nails, bolts, damper, ash doors, finish hardware.
(14) Painting: White lead, linseed oil, turpentine. Labor.
(15) Misc.: Metal & wood laths, corner bead, insulation. Labor.
(16) TOTAL OF GROUP D: Materials. Labor.
(17) TOTAL COSTS: Materials. Labor.
Group E:
(18) Overhead and profit of subcontractors in plastering, heating, plumbing, metal work, electrical work and tile work.
(19) General contractor's profit.
(20) Missouri sales tax (now 2% on materials), old age and unemployment tax (Federal and State), liability and employees' compensation insurance, fire and tornado insurance, completion bond.
(21) TOTAL OF GROUP E.
(22) TOTAL CONSTRUCTION COST.

YEAR	GROUP A (1)		(2)		(3) TOTAL		GROUP B (4)		(5)		(6)		(7) TOTAL		GROUP C (8)		(9)		(10) TOTAL	
1913	$343	$388	$ 24	$ 13	$367	$401	$218	$101	$428	$134	$350	$121	$996	$356	$152	$136	$231	110	$383	$246
1914	362	388	24	13	386	401	212	101	415	134	349	121	976	356	147	136	248	110	395	246
1915	360	388	24	13	384	401	189	108	373	145	329	131	891	384	152	144	249	116	401	260
1916	366	396	24	13	390	409	224	108	438	145	363	131	1025	384	203	144	309	116	512	260
1917	456	413	25	14	481	427	258	109	500	146	396	132	1154	387	244	152	359	122	603	274
1918	539	421	25	15	564	436	292	118	570	158	449	143	1311	419	322	152	359	124	681	276
1919	624	453	25	15	649	468	519	128	1008	170	729	154	2256	452	290	160	349	130	639	290
1920	742	463	28	17	770	480	607	183	1189	243	1030	220	2826	646	305	184	372	150	677	334
1921	674	501	25	18	699	519	479	188	920	250	506	225	1905	663	273	192	460	156	733	348
1922	609	506	25	18	634	524	362	174	703	232	571	209	1636	615	258	204	433	166	691	370
1923	633	576	25	21	658	597	410	200	793	268	551	242	1754	710	267	227	430	184	697	411
1924	618	703	251	108	869	811	401	246	779	328	492	296	1672	870	274	277	388	224	662	501
1925	606	684	251	108	857	[illegible]	375	251	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	654	[illegible]

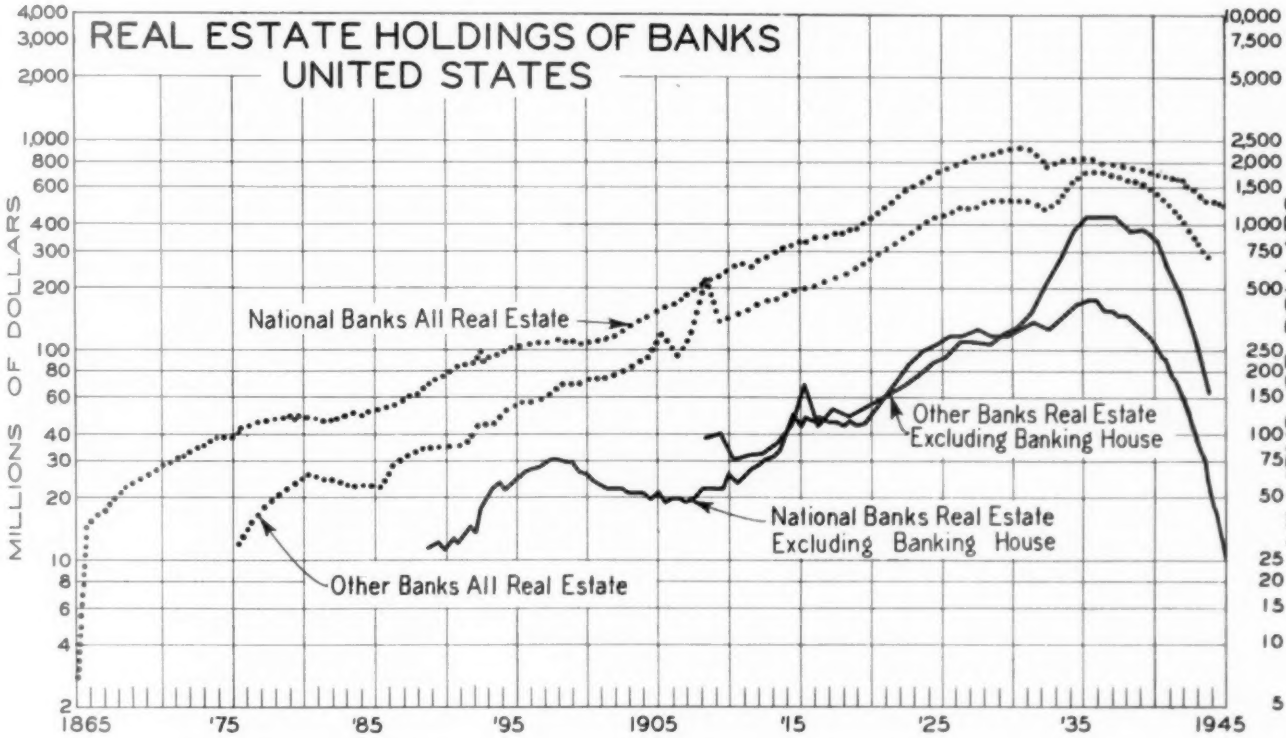
YEAR	GROUP D (11)		(12)		(13)	(14)		(15)		(16)		TOTAL (17)		GROUP E (18)	(19)	(20)	(21) TOTAL	TOTAL (22)
1913	$ 65	$ 12	$ 36	$ 49	$ 59 *	$ 16	$ 64	$ 51	$ 18	$227	$143	$1973	$1146	$248	$337	$132	$717	$3836
1914	59	12	32	49	59	16	64	50	18	216	143	1973	1146	248	337	132	717	3836
1915	68	12	38	52	64	17	69	48	19	235	152	1911	1197	257	337	135	729	3837
1916	101	12	55	52	86	22	69	59	19	323	152	2250	1205	295	375	142	812	4267
1917	108	12	59	54	110	26	69	69	19	372	154	2610	1242	325	418	152	895	4747
1918	95	14	52	54	118	30	75	73	21	368	164	2924	1295	346	457	163	966	5185
1919	83	15	45	57	113	31	81	112	23	384	176	3928	1386	342	566	187	1095	6409
1920	83	21	46	66	143	36	116	132	32	440	235	4713	1695	366	677	227	1270	7678
1921	64	22	35	69	94	30	119	104	35	327	243	3664	1773	372	581	215	1168	6605
1922	64	20	35	73	79	28	111	81	31	287	235	3248	1744	370	536	205	1111	6103
1923	70	23	38	81	94	28	128	90	36	320	268	3429	1986	407	582	228	1217	6632
1924	64	28	35	100	97	35	156	87	44	318	328	3521	2510	527	656	274	1457	7488
1925	68	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

1926	566	653	251	108	817	761	379	240	732	320	432	288	1543	848	264	244	381	197	645	441	69	27	37	87	86	36	152	83	43	311	309	3316	2359	499	617	254	1370	7045
1927	565	621	251	108	816	729	354	228	715	304	358	275	1427	807	251	184	395	159	646	343	67	26	37	66	84	33	145	80	41	301	278	3190	2157	469	582	237	1288	6635
1928	563	541	208	97	771	638	406	184	644	244	377	220	1427	648	261	184	382	151	643	335	71	21	39	66	85	31	116	74	32	300	235	3141	1856	438	544	213	1195	6192
1929	565	541	185	97	750	638	360	184	687	244	384	220	1431	648	270	184	385	151	655	335	82	21	45	66	89	33	116	71	32	320	235	3156	1856	438	545	213	1196	6208
1930	474	422	185	97	659	519	340	135	655	181	312	164	1307	480	251	140	341	114	592	254	71	15	39	50	72	33	87	211	24	426	176	2984	1429	380	479	175	1034	5447
1931	411	342	155	57	566	399	313	108	594	145	254	131	1161	384	226	112	322	91	548	203	58	12	32	40	61	31	70	198	39	380	161	2655	1147	317	412	146	875	4677
1932	438	342	139	51	577	393	268	108	532	145	269	131	1069	384	210	112	286	91	496	203	50	12	28	40	60	28	70	199	39	365	161	2507	1141	295	395	142	832	4480
1933	457	342	130	51	587	393	355	108	562	145	344	131	1261	384	208	112	270	91	478	203	52	12	28	40	54	26	70	214	39	374	161	2700	1141	291	413	146	850	4691
1934	540	342	122	51	662	393	439	108	713	145	494	131	1646	384	234	112	279	91	513	203	55	12	30	40	63	26	70	222	39	396	161	3217	1141	299	466	154	919	5277
1935	508	422	111	67	619	489	399	135	638	181	523	164	1560	480	236	140	292	114	528	254	43	15	24	50	62	26	87	229	47	384	199	3091	1422	300	481	174	955	5468
1936	506	490	111	67	617	557	364	159	655	209	494	188	1513	553	255	160	331	131	556	291	50	19	28	57	59	27	98	221	53	385	227	3071	1631	344	505	239	1088	5790
1937	503	512	111	67	614	579	395	186	742	245	578	221	1715	652	247	160	326	141	573	301	54	22	29	57	64	31	104	226	53	404	236	3306	1768	363	544	310	1217	6291
Jan. 1938	500	428	103	67	603	495	369	162	693	210	591	189	1653	561	255	160	313	134	568	294	48	19	26	57	68	29	88	223	42	394	206	3218	1556	344	512	315	1171	5945
Apr. 1938	500	428	103	67	603	495	343	162	633	210	592	189	1568	561	231	160	305	134	536	294	45	19	25	57	68	27	88	222	42	387	206	3094	1556	335	490	310	1135	5785
July 1938	516	428	103	67	619	495	343	162	631	210	549	169	1523	541	239	160	285	134	524	294	45	19	25	57	64	27	88	221	42	382	206	3048	1536	328	489	301	1118	5702
Oct. 1938	516	417	103	67	619	484	343	142	631	185	550	167	1524	494	239	160	283	134	522	294	48	17	26	57	64	28	88	221	42	387	204	3052	1476	326	484	296	1106	5634
Jan. 1939	515	417	103	77	618	494	353	142	642	185	525	167	1520	494	239	160	284	134	523	294	49	17	27	57	64	28	88	192	42	360	204	3021	1486	329	482	297	1108	5615
Apr. 1939	510	561	103	77	613	638	345	164	644	219	509	198	1498	581	239	160	267	134	506	294	48	19	26	57	64	29	116	192	61	359	253	2976	1766	348	507	329	1184	5926
July 1939	516	561	103	77	619	638	346	164	639	219	508	198	1493	581	239	160	271	131	510	291	46	19	26	57	64	29	116	191	61	356	253	2978	1763	346	507	329	1182	5923
Oct. 1939	510	561	103	77	613	638	395	164	713	219	509	198	1617	581	239	160	285	131	524	291	52	19	29	57	65	30	116	193	61	369	253	3123	1763	353	522	335	1210	6096
Jan. 1940	510	538	103	77	613	615	374	158	679	215	567	195	1620	568	236	160	282	131	518	291	58	17	32	57	65	30	93	193	61	378	228	3129	1702	352	516	327	1195	6026
Apr. 1940	510	538	103	77	613	615	371	158	651	215	566	195	1588	568	236	160	285	131	521	291	63	17	35	57	65	30	93	193	61	386	228	3108	1702	352	516	327	1195	6005
July 1940	510	538	103	77	613	615	371	158	651	215	566	195	1588	568	236	160	285	131	521	291	63	17	35	57	65	30	93	193	61	386	228	3108	1702	352	516	327	1195	6005
Oct. 1940	510	542	145	86	655	628	494	162	763	218	628	197	1885	577	254	160	294	161	548	321	63	17	31	57	66	32	93	203	75	395	242	3482	1768	385	564	351	1300	6550
Jan. 1941	515	640	145	86	660	726	493	182	808	243	645	219	1946	644	242	160	266	161	508	321	62	19	28	58	67	33	104	203	78	393	259	3507	1950	380	585	375	1340	6797
Apr. 1941	487	639	159	86	646	725	463	182	771	243	633	219	1867	644	251	180	274	149	525	329	62	19	28	63	69	33	131	202	79	394	292	3432	1990	396	581	376	1353	6775
July 1941	510	650	159	86	669	736	553	220	802	279	635	252	1990	751	250	180	274	149	524	329	90	19	27	63	72	34	131	220	79	443	292	3626	2108	396	613	397	1406	7140
Oct. 1941	514	678	159	86	673	764	544	226	861	303	689	274	2094	803	262	200	289	187	551	387	106	29	34	72	80	35	145	227	79	482	325	3800	2279	433	650	424	1507	7586
Jan. 1942	514	696	175	86	689	782	536	231	854	305	689	275	2079	811	262	200	314	187	576	387	64	29	48	72	79	35	145	229	81	455	327	3799	2307	431	653	427	1511	7617
Apr. 1942	520	696	175	86	695	782	547	231	876	305	715	275	2138	811	273	200	317	187	590	387	64	29	50	72	79	38	145	229	81	460	327	3883	2307	433	663	429	1525	7715
July 1942	520	696	175	86	695	782	540	233	874	307	715	276	2129	816	273	200	317	198	590	398	72	29	50	86	79	38	145	229	75	468	335	3882	2331	435	668	427	1530	7743
Oct. 1942	520	668	162	86	682	754	558	207	884	274	715	248	2157	729	273	180	317	149	590	329	56	29	50	65	79	38	130	229	75	452	299	3881	2111	419	639	403	1461	7453
Jan. 1943	520	668	151	86	671	754	561	207	884	274	715	248	2160	729	273	180	317	149	590	329	56	29	50	65	79	38	130	229	75	452	299	3873	2111	419	639	402	1460	7444
Apr. 1943	520	668	151	86	671	754	561	207	884	274	715	248	2160	729	273	180	317	149	590	3299	56	29	50	65	79	38	130	229	75	452	299	3873	2111	419	639	402	1460	7444
July 1943	520	648	151	99	671	747	561	189	884	247	715	222	2160	658	273	180	317	149	590	329	56	20	50	63	79	38	130	223	75	446	288	3867	2022	422	631	393	1446	7335
Oct. 1943	528	648	151	99	679	747	662	189	1005	247	715	222	2382	658	273	180	317	149	590	329	56	20	50	63	79	38	130	238	75	461	288	4112	2022	422	656	398	1476	7610
Jan. 1944	528	648	175	99	703	747	662	189	1003	247	663	222	2328	658	273	180	317	149	590	329	56	20	50	63	79	38	130	238	75	461	288	4082	2022	422	653	398	1473	7577
Feb. 1944	528	648	175	99	703	747	662	189	1003	247	663	222	2328	658	273	180	317	149	590	329	56	20	50	63	79	38	130	238	75	461	288	4082	2022	422	653	398	1473	7577
Mar. 1944	528	648	175	99	703	747	662	189	1003	247	663	222	2328	658	273	180	317	149	590	329	56	20	50	63	79	38	130	238	75	461	288	4082	2022	422	653	398	1473	7577
Apr. 1944	528	648	175	99	703	747	700	189	1009	247	663	222	2472	658	273	180	317	149	590	329	56	20	50	63	79	38	130	238	75	461	288	4226	2022	422	667	400	1489	7737
May 1944	528	648	175	99	703	747	700	189	1009	247	679	222	2488	658	273	180	317	149	590	329	56	20	50	63	79	38	130	238	75	461	288	4242	2022	422	669	401	1492	7756
June 1944	528	648	175	99	703	747	700	189	1009	247	679	222	2488	658	273	180	317	149	590	329	56	20	50	63	79	38	130	238	75	461	288	4242	2022	422	669	401	1492	7756
July 1944	528	648	175	99	703	747	700	189	1009	247	679	222	2488	658	273	180	317	149	590	329	56	20	50	63	79	38	130	238	75	461	288	4242	2022	422	669	401	1492	7756
Aug. 1944	528	762	175	99	703	861	700	189	1009	247	679	222	2488	658	273	180	317	149	590	329	56	20	50	63	79	38	130	238	75	461	288	4242	2136	422	680	411	1513	7891
Sept. 1944	528	762	175	99	703	861	700	189	1009	247	679	222	2488	658	273	180	317	149	590	329	56	20	50	63	79	38	130	238	75	461	288	4242	2136	422	680	411	1513	7891
Oct. 1944	537	762	175	99	712	861	700	189	1112	247	679	222	2491	658	273	180	317	149	590	329	56	20	50	63	79	38	130	246	75	469	288	4262	2136	422	682	411	1515	7913
Nov. 1944	537	762	175	99	712	861	700	189	1112	247	679	222	2491	658	273	180	317	149	590	329	56	20	50	63	79	38	130	246	75	469	288	4262	2136	422	682	411	1515	7913
Dec. 1944	537	763	175	99	712	862	700	212	1112	277	702	249	2514	738	273	180	317	149	590	329	56	20	50	63	79	38	130	246	91	469	288	4285	2233	426	694	426	1546	8064
Jan. 1945	537	763	175	99	712	862	700	212	1112	277	702	249	2514	738	273	180	317	149	590	329	56	20	50	63	79	38	130	246	91	469	288	4285	2233	426	694	426	1546	8064
Feb. 1945	551	763	175	99	726	862	700	212	1112	277	702	249	2514	738	273	180	317	149	590	329	56	20	50	63	79	38	130	246	91	469	288	4299	2233	426	696	427	1549	8081
Mar. 1945	551	763	175	99	726	862	700	212	1112	277	702	249	2514	738	273	180	317	149	590	329	56	20	50	63	79	38	130	246	91	469	288	4299	2233	426	696	427	1549	8081
Apr. 1945	551	763	175	99	726	862	700	212	1112	277	702	249	2514	738	273	180	317	149	590	329	56	20	50	63	79	38	130	246	91	469	288	4299	2233	426	696	427	1549	8081
May 1945	551	763	175	99	726	862	700	212	1112	277	702	249	2514	738	273	180	317	149	590	329	56	20	50	63	79	38	130	246	91	469	288	4299	2233	426	696	427	1549	8081
June 1945	551	763	175	99	726	862	700	212	1112	277	702	249	2514	738	273	180	320	149	593	329	56	20	50	63	79	38	130	246	91	469	288	4302	2233	426	696	427	1549	8084
July 1945	551	763	175	99	726	862	700	231	1112	307	702	276	2514	814	273	200	320	174	593	374	56	20	50	72	79	38	145	246	95	469	332	4302	2382	438	712	455	1605	8289
Aug. 1945	578	997	175	99	753	1096	700	312	1112	429	702	345	2514	1086	273	292	320	251	593	543	56	20	50	101	79	38	197	246	120	469	438	4329	3163	510	800	549	1859	9351
Sept. 1945	578	997	175	113	753	1110	695	312	1117	429	702	345	2514	1086	273	292	320	251	593	543	56	20	50	101	79	38	197	246	120	469	438	4329	3177	515	802	552	1869	9375
Oct. 1945	603	997	175	113	778	1110	695	312	1117	429	702	345	2514	1086	273	292	320	251	593	543	56	20	50	101	79	38	197	246	120	469	438	4354	3177	515	805	553	1873	9404
Nov. 1945	603	997	175	113	778	1110	695	312	1117	429	702	345	2514	1086	285	292	322	251	607	543	56	20	50	101	79	38	197	246	120	469	438	4368	3177	518	806	554	1878	9423
Dec. 1945	603	997	175	113	778	1110	695	312	1117	429	702	345	2514	1086	285	292	322	251	607	543	56	20	50	101	79	38	197	246	120	469	438	4368	3177	518	806	554	1878	9423
Jan. 1946	609	1068	175	113	784	1181	695	330	1117	456	702	411	2514	1197	285	308	322	259	607	567	59	29	50	111	79	38	211	246	125	472	476	4377	3421	544	834	583	1961	9759
Feb. 1946	609	1068	175	113	784	1181	695	330	1117	456	702	411	2514	1197	285	308	322	259	607	567	59	29	50	111	79	38	211	246	125	472	476	4377	3421	544	834	583	1961	9759
Mar. 1946	609	1068	175	113	784	1181	695	330	1141	456	702	411	2538	1197	285	308	322	259	607	567	62	29	50	111	79	38	211	246	125	475	476	4404	3421	545	837	584	1966	9791
Apr. 1946	615	1089	175	113	790	1202	714	330	1100	456	702	411	2516	1197	306	308	332	259	638	567	59	29	50	119	79	38	211	246	125	472	484	4416	3450	554	842	589	1985	9851
May 1946	615	1089	175	113	790	1202	714	330	1102	456	734	411	2550	1197	306	308	332	259	638	567	59	29	50	119	79	38	211	246	125	472	484	4450	3450	554	845	590	1989	9889

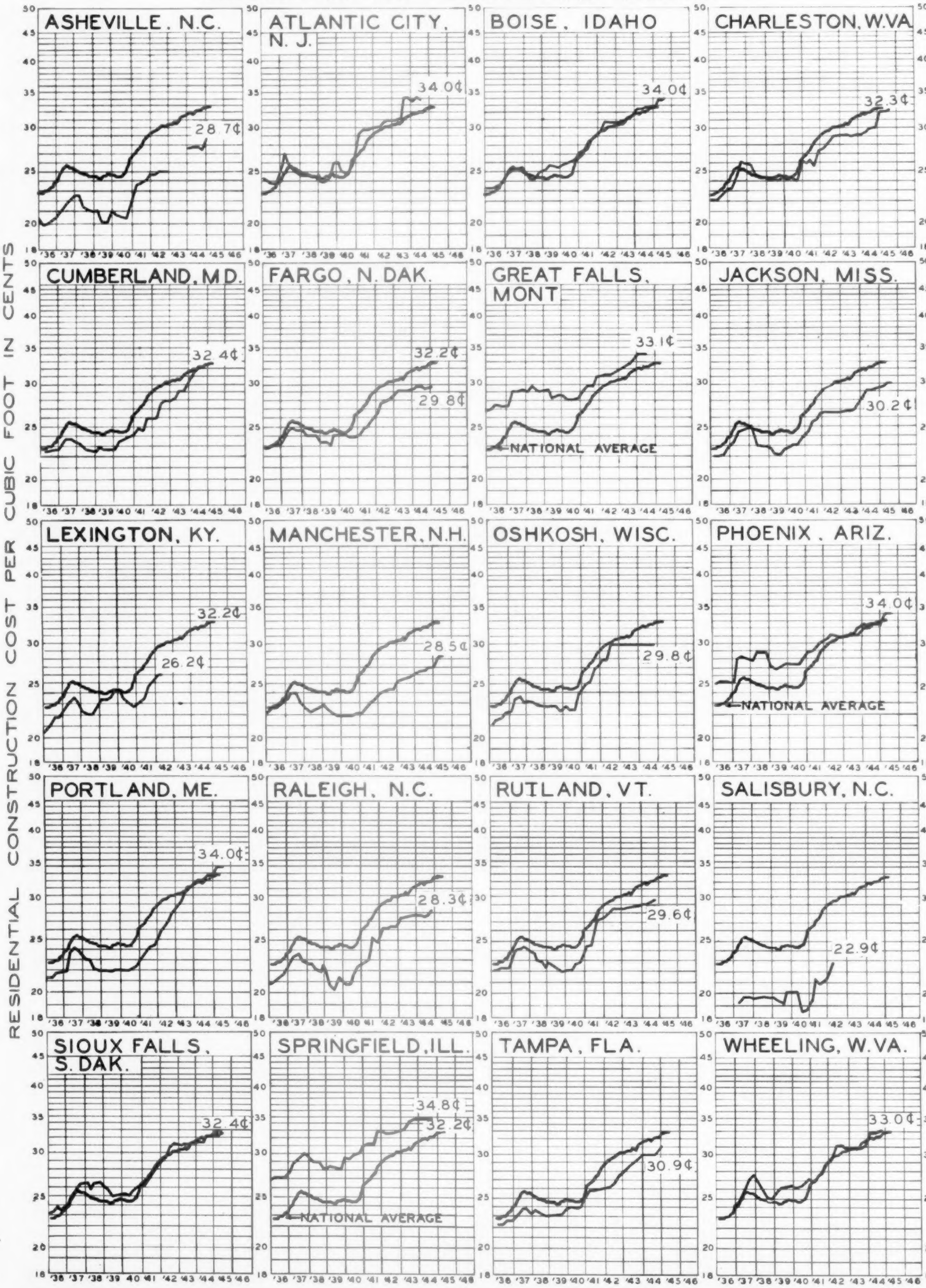
BANKS HAVE DISPOSED OF MOST REAL ESTATE

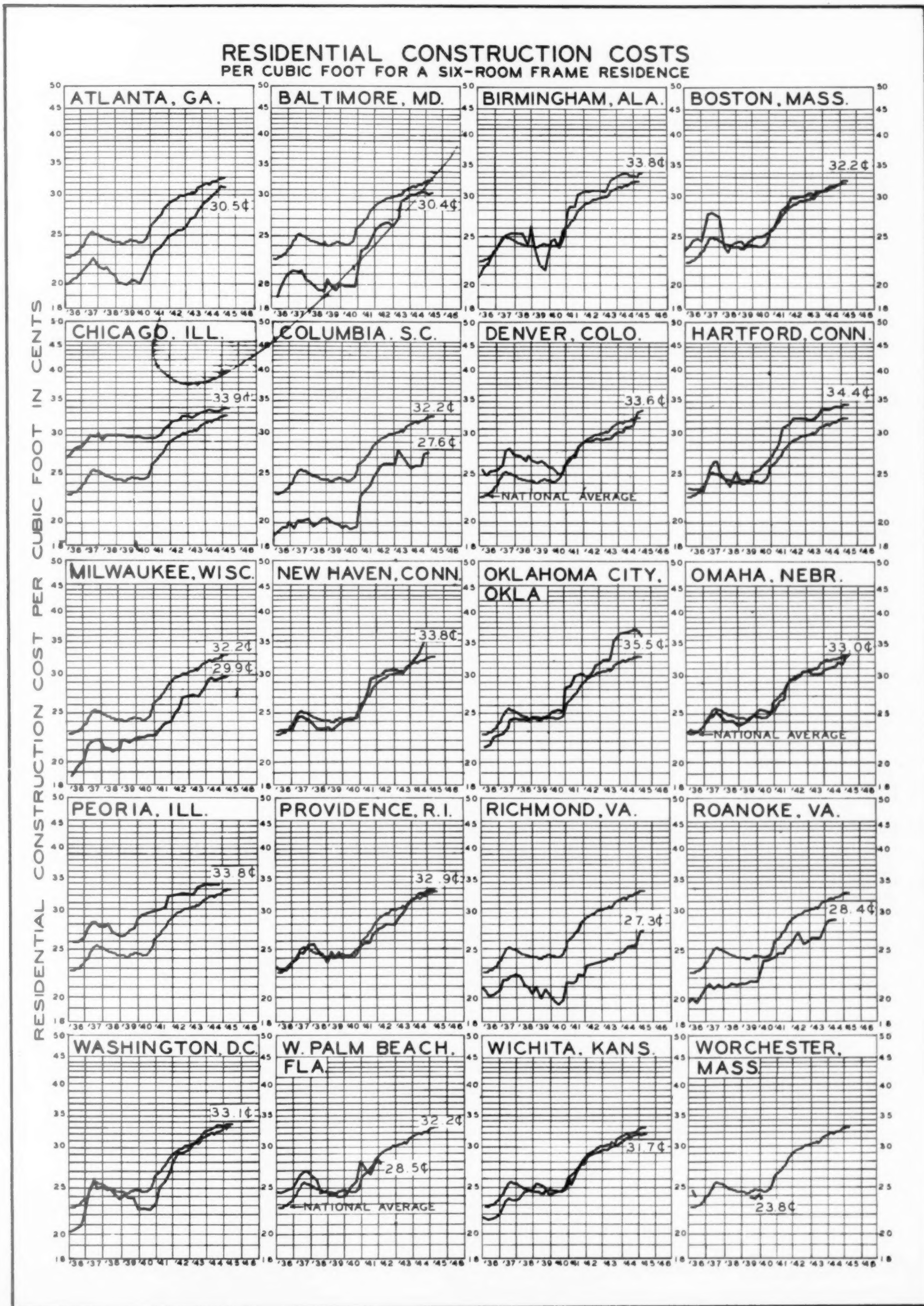
THE chart at the bottom of this page shows the dollar amount of real estate owned by all national banks in the United States for each year from 1865 to 1945. From 1889 to the present it has been possible to exclude from the real estate account of national banks the real estate used for banking house purposes. This is shown by the solid blue line on the chart, and it will be noticed that the real estate holdings of national banks, excluding the banking house, in the United States in millions of dollars are now less than they have been at any time since these figures are available. It is rather interesting to note that the banks now own less real estate than they owned at any time during the First World War period or the period of the real estate boom in the twenties.

The red line on the chart from 1909 to 1944 shows the real estate holdings of all banks other than national banks, including State banks, private banks and savings banks. These banks during the thirties acquired a great deal more real estate exclusive of their banking premises than national banks and have, therefore, been more slow in liquidating it. At the end of 1944 the real estate holdings of these banks were practically down to the level of the early twenties.



RESIDENTIAL CONSTRUCTION COSTS
PER CUBIC FOOT FOR A SIX-ROOM FRAME RESIDENCE




RESIDENTIAL CONSTRUCTION COSTS
PER CUBIC FOOT FOR A SIX-ROOM FRAME RESIDENCE
RESIDENTIAL CONSTRUCTION COST PER CUBIC FOOT IN CENTS
ATLANTA, GA.
30.5¢
BALTIMORE, MD.
30.4¢
BIRMINGHAM, ALA.
33.8¢
BOSTON, MASS.
32.2¢
CHICAGO, ILL.
33.9¢
COLUMBIA, S.C.
32.2¢
27.6¢
DENVER, COLO.
33.6¢
NATIONAL AVERAGE
HARTFORD, CONN.
34.4¢
MILWAUKEE, WISC.
32.2¢
29.9¢
NEW HAVEN, CONN.
33.8¢
OKLAHOMA CITY, OKLA.
35.5¢
OMAHA, NEBR.
33.0¢
NATIONAL AVERAGE
PEORIA, ILL.
33.8¢
PROVIDENCE, R.I.
32.9¢
RICHMOND, VA.
27.3¢
ROANOKE, VA.
28.4¢
WASHINGTON, D.C.
33.1¢
W. PALM BEACH, FLA.
32.2¢
28.5¢
NATIONAL AVERAGE
WICHITA, KANS.
31.7¢
WORCHESTER, MASS.
23.8¢